

Nordea Small Cap Investor Day - Introduction to Zutec

24 February 2021

Strictly confidential



Today's agenda

- | The Zutec story
- | Q2 2020 / 21 results overview
- | Q&A
- | Appendix



The Zutec story



20 years track-record

Founded in 1999 – operations in Dublin, London, Melbourne and Abu Dhabi

Listed in March 2018 on First North Nasdaq Stockholm

26 employees



LTM sales of SEK 33m

Accelerated growth momentum of ~30-50% in the last three quarters¹

Ca 2/3 of revenues are recurring

No interest-bearing debt and strong cash position of ~SEK 37m



Large & fast growing market

Market of USD 1.4bn expected to grow ~13% p.a.

Construction is the least digitized industry and Covid-19 has triggered acceleration

Large tail of smaller players offering consolidation opportunities



Proven products

Zutec Cloud (Web App) for document management, CDE and handover

Zutec Field and Zutec BIM (Mobile Apps) for inspections, defects, H&S



Vision

Vision to be a leading disruptive software company in the least digitized sector in the world by partnering with our customers



High quality customer base

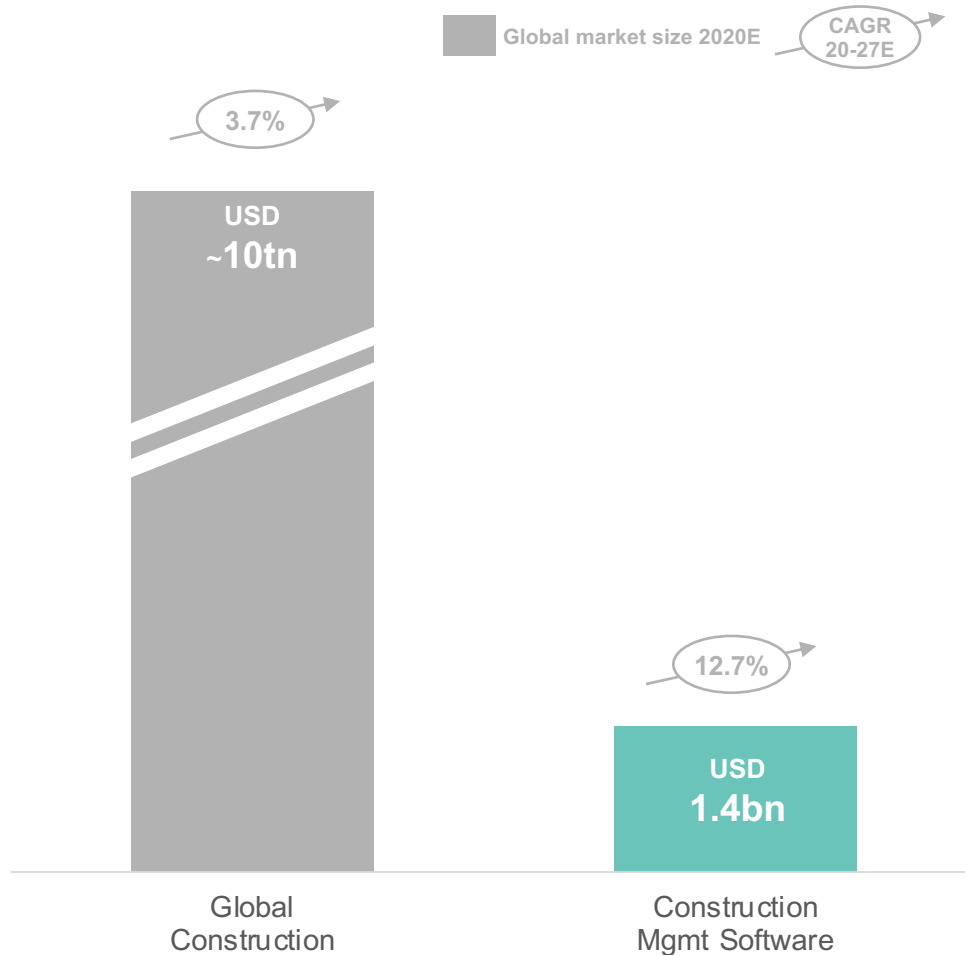
Tier 1 customers including Multiplex, Cairn Homes, Wates & Mirvac

Top class reference projects including HS2, the Shard & Wembley

Sells exclusively to construction sector

Zutec operates in a large and fast growing market

Break-down of Zutec's relevant market



- **Construction software growth driven by macro trends:**
 - Increased IT spend among construction companies and developers
 - ESG concerns, where efficient software saves both time and resources
 - Growing demand for efficiency and accuracy
 - Adoption of technology throughout the construction value chain

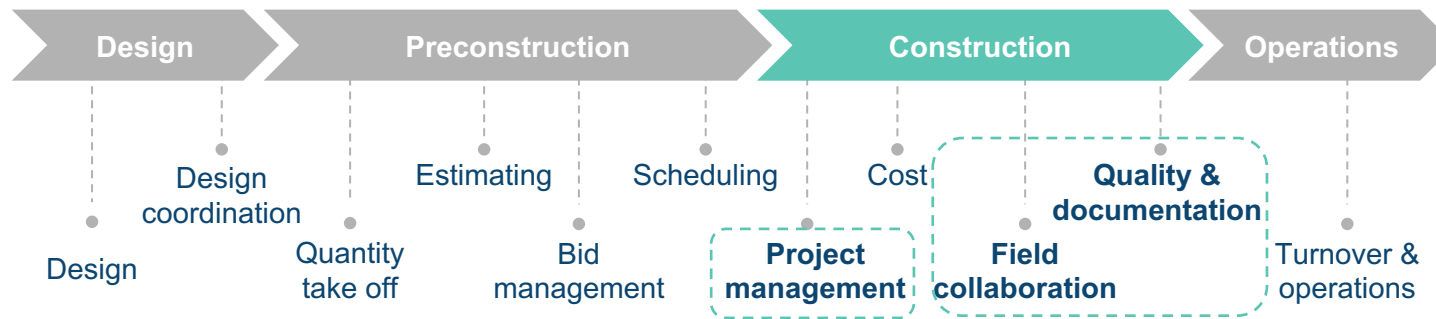
- Consolidation has been driven by larger players – however market still fragmented with long tail of local providers



- Zutec has a market share of less than 1%, implying significant upside from current position
- Significantly outpacing growth of addressable market, with Q2 2020/21 net sales growth of c. 50% compared to Q2 2019/20
- Construction is the least digitised industry, leaving significant room for software penetration

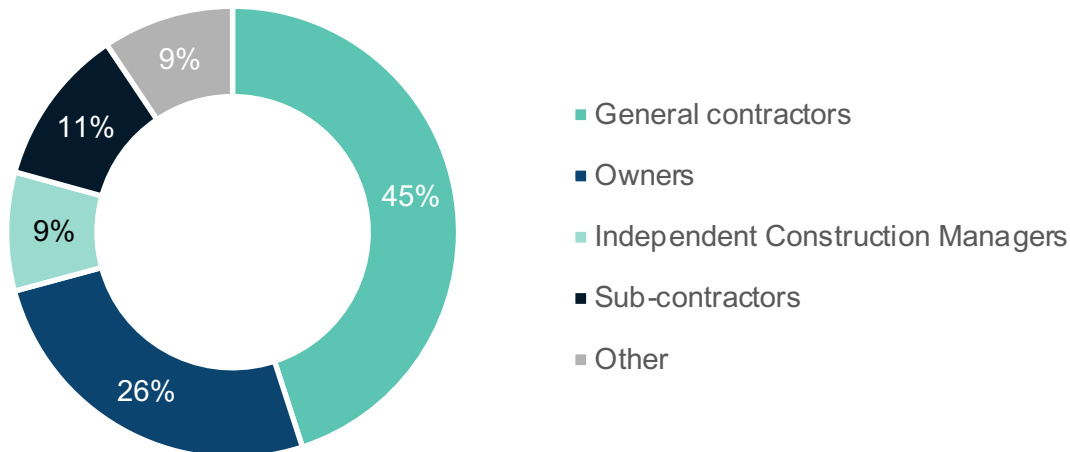
Zutec primarily targets the later stages of the construction phase

Overview of construction phases



- There are four distinct phases in a construction project
- Zutec primarily targets the construction phase

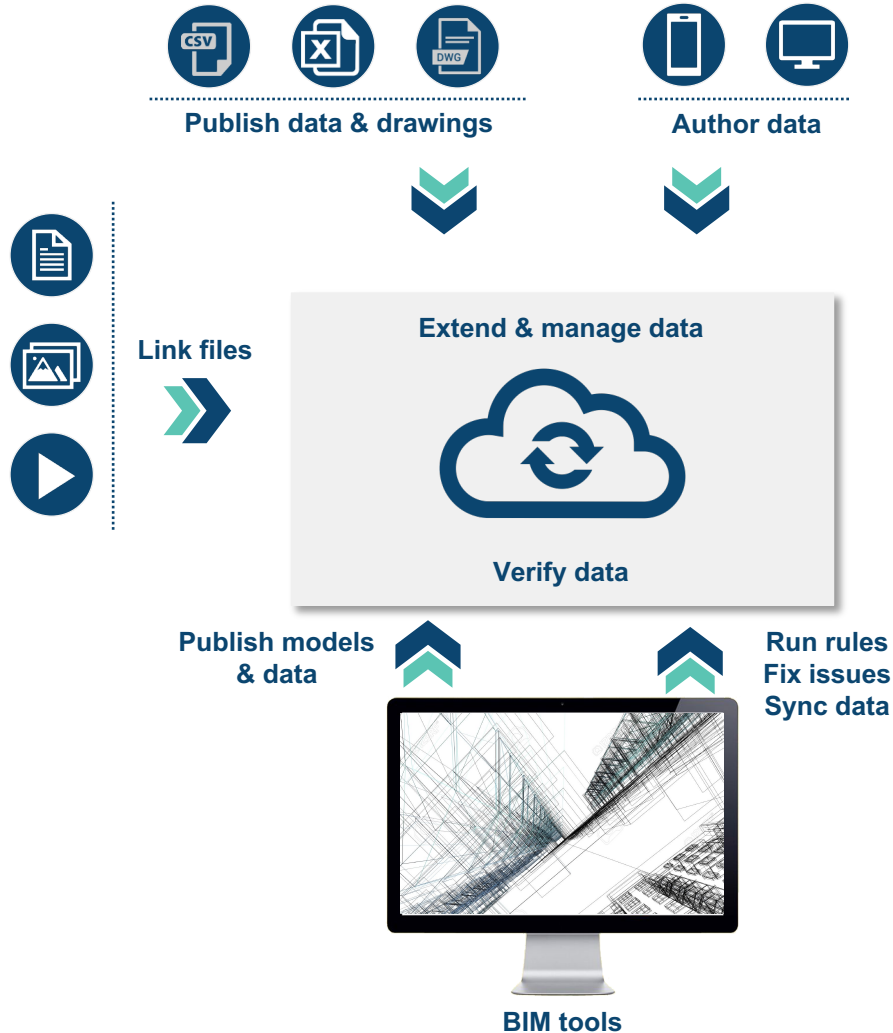
Construction Software Market by Customer Type



- Zutec's primary target customers are General Contractors – accounting for almost 50% of the total construction software market
- Zutec has recently also enjoyed success with Owners (Developers)

Zutec offers a single platform for all construction documentation

Illustration of design & construction work flow



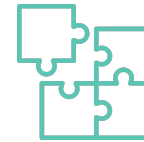
Zutec's Solution(s)



Zutec's cloud-based (SaaS) offering and benefits



Product	Format	Customer type	Primary use
Cloud 	Web app	Contractors Developers Homebuilders Subcontractors	Office
Field 	Mobile app	Contractors Subcontractors	On-site
BIM 	Web/Mobile app	Contractors Developers	Office / on-site
Analytics 	Web app	Contractors Developers Homebuilders Subcontractors	Office



All Integrated Platform

Singular, central data storage for all project data



Live Analytics and Data

User-friendly web and mobile applications to make fact-based decisions



Built for Construction

Cloud-Based Software built exclusively for Construction



Secure Data Handling

Your cloud-based data is secure in a private cloud

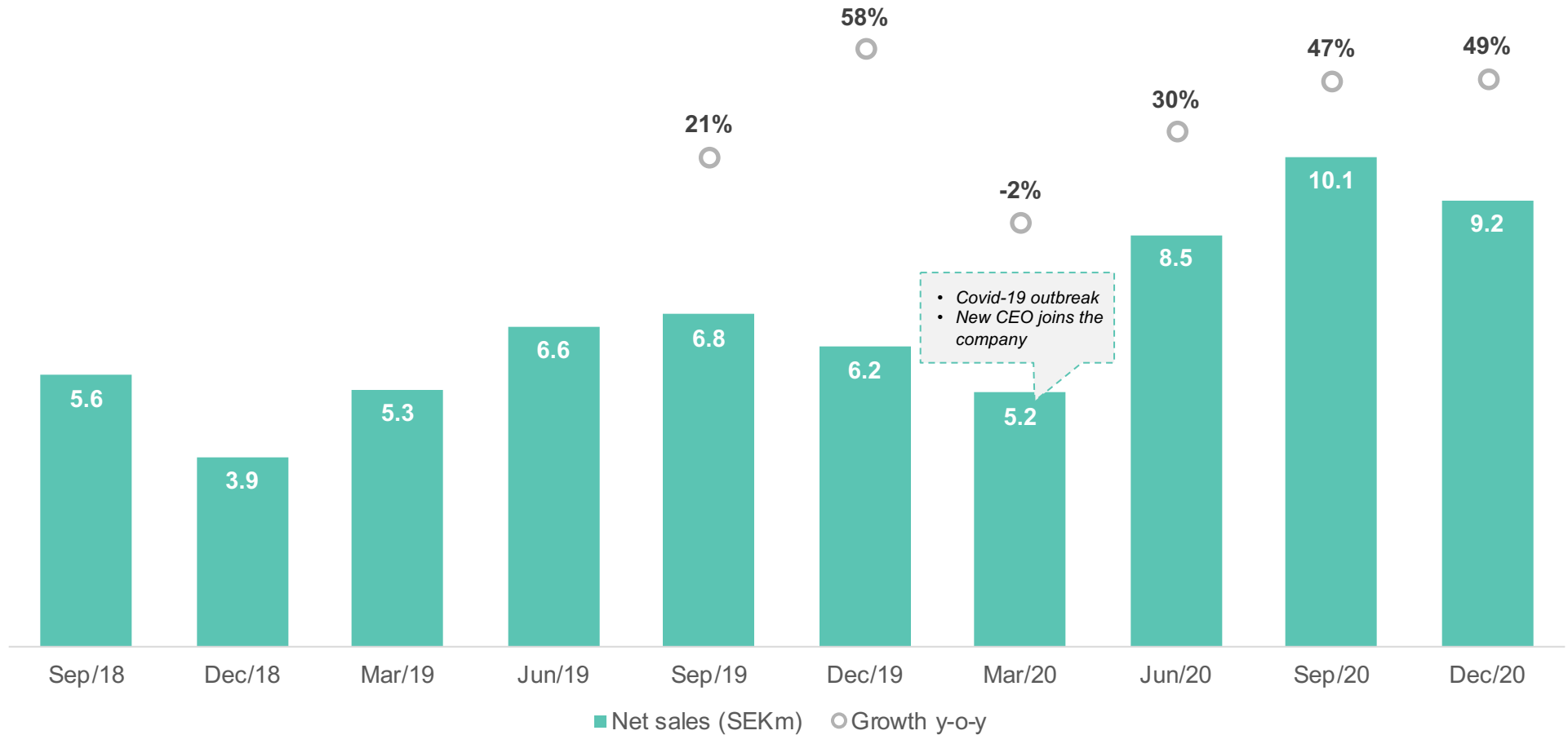


Digital Construction Experts

Over 150 years of combined Digital Construction Experience

Attractive growth profile

Quarterly net sales development 2018/19 – YTD (SEKm)



We believe the market is ripe for growth

3-year growth plan and key pillars



- ✓ Increase new customer inflows

- ✓ Increase duration of agreements

- ✓ Increase recurring revenues

- ✓ Reduce churn rates and improve customer retention

- ✓ Broaden product portfolio:
Handover/ Inspections → CDE



- ✓ Focus on select English-speaking countries

- ✓ Direct presence or through reseller / partner



- ✓ Infrastructure construction and adjacent markets

- ✓ Expand customer focus from contractors to developers and homebuilders



- ✓ Technology add-ons

- ✓ New market access

- ✓ Customer access



Q2 2020 / 21 results overview

Financial summary



Q2 – October to December 2020

- Net sales of SEK 9.2m
- EBITDA before FX-translation of SEK 1.0m (SEK -6.3m)
- Net loss of SEK 3.9m
- Basic earnings per share amounted to SEK -0.09 (-1.29)
- Cash outflow from operating activities of SEK 2.6m
- Cash position of SEK 36.6m

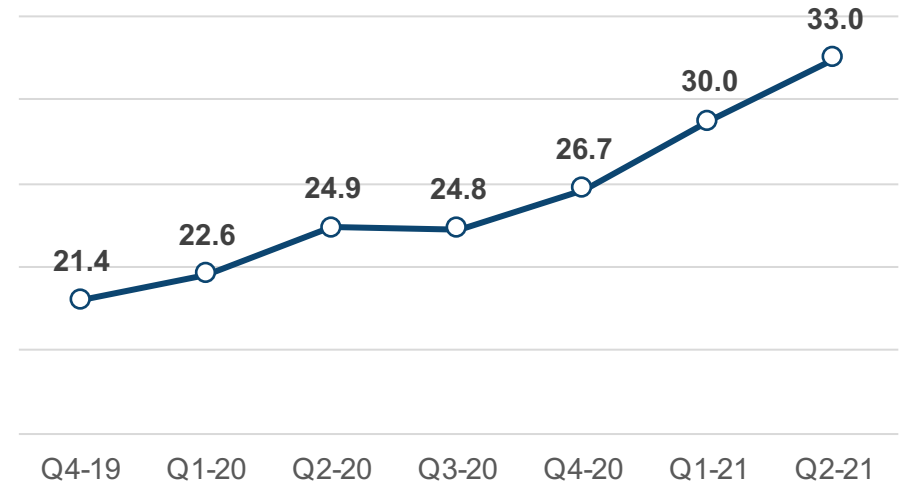
SEK millions	Q4		YTD		FY	LTM
	Oct-Dec 20	Oct-Dec 19	Dec-20	Dec-19	Jul-Jun 20	Oct-Dec 20
Net sales	9.2	6.2	19.3	13.0	26.7	33.0
EBITDA	-1.7	-7.3	0.3	-11.0	-28.0	-16.7
Operating profit/(loss)	-3.9	-8.9	-3.8	-14.2	-35.5	-25.0
Net profit/(loss)	-3.9	-9.4	-3.9	-14.8	-36.7	-25.8
Op. cash flow	-2.6	-5.7	-10.1	-8.3	4.2	2.8
Cash	36.6	6.2	36.6	6.2	57.6	30.4
Net Debt	36.6	3.0	36.6	3.0	47.1	33.5
EPS before dilution	-0.09	-1.29	-0.09	-2.04	-4.67	-0.57

Sales review

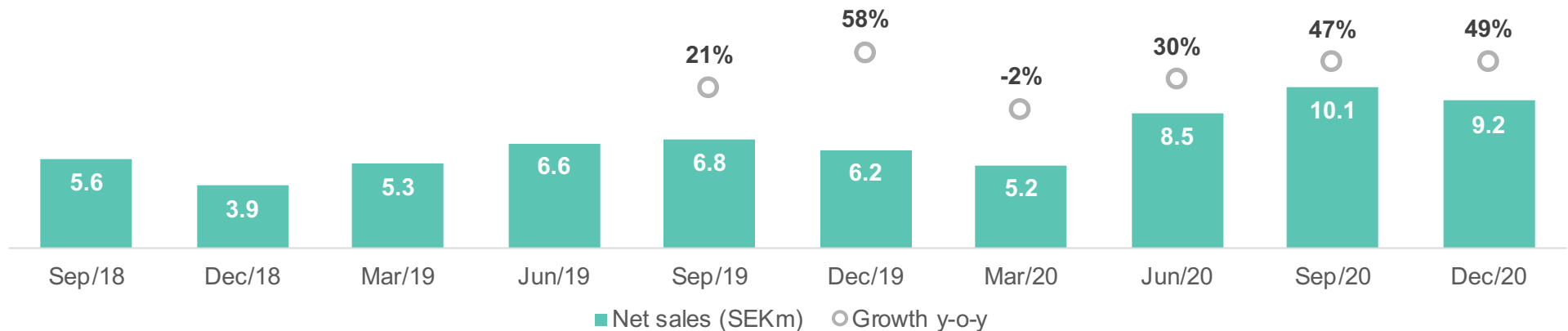
Q2 – October to December 2020

- YoY sales growth of 48.5% in Q2, 54.0% on a constant currency basis
- Meaningful growth in recurring revenues
- LTM sales of SEK 33.0m
- More than 50 new agreements signed during the quarter – largest on record
- Strong progress in sales with recurring revenues increasing, longer duration agreements and improved sales velocity

Rolling 12 months net sales (SEKm)



Quarterly net sales development 2018/19 – YTD (SEKm)

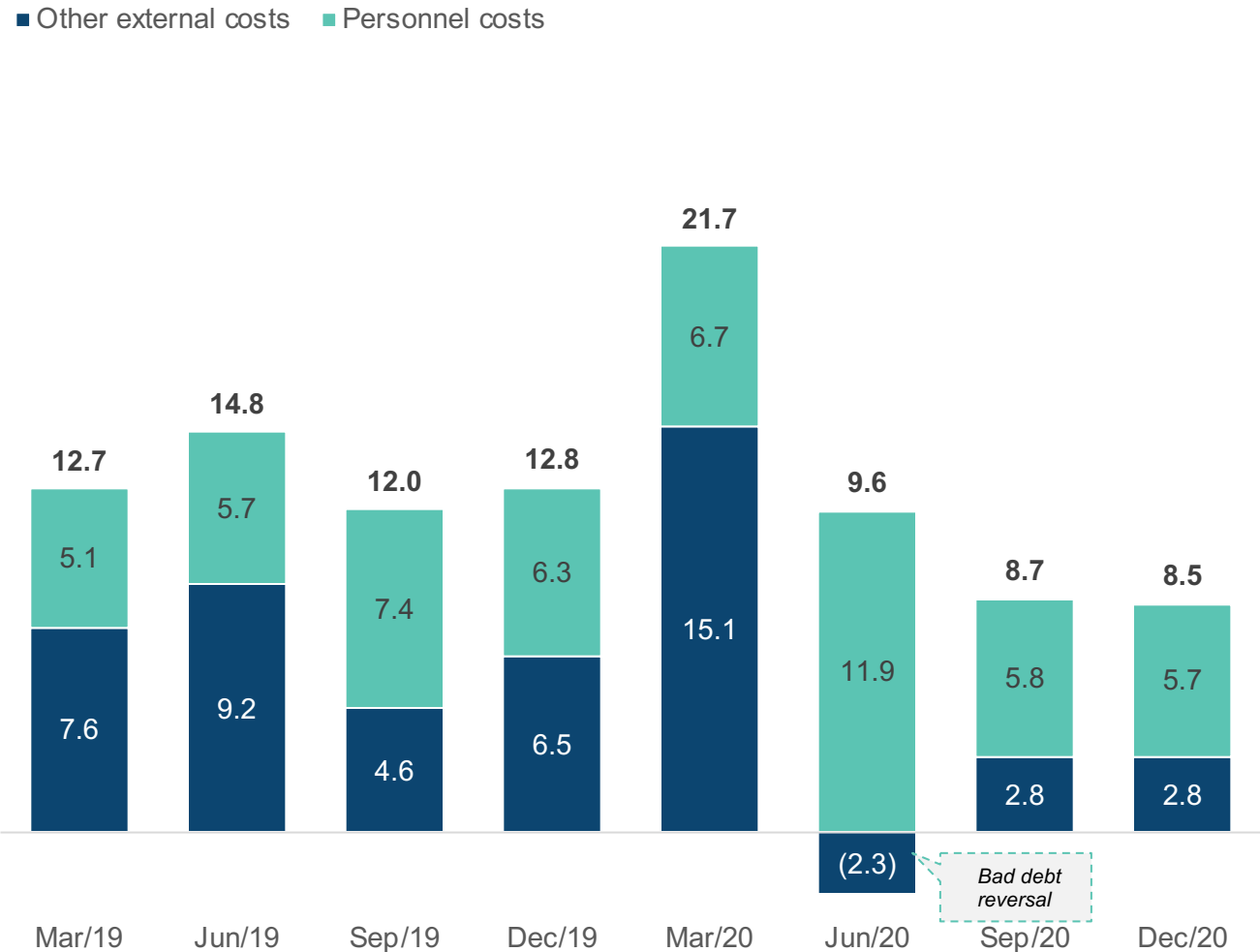


Commentary

- **Personnel costs**
 - Personnel costs (incl. Share based payments) reduced to SEK 5.7m this quarter
 - FTE of 26 end of this quarter
 - Increased our sales team in the UK, Middle East and Ireland
 - We will be investing in the marketing team to drive brand and lead generation and in our development team for increased product focus

- **Other external costs**
 - Other external costs reduced to SEK 2.8m in this quarter
 - We will be increasing our marketing spend going forwards to further drive growth

Quarterly opex development Mar-19 – YTD (SEKm)



Source: Company information
 Note: Personnel costs include Share based payments. Other external costs include bad debt expenses

Summary investment highlights

Market

- Large addressable construction software market, where underlying construction is the world's largest industry
- Ongoing technology penetration, where construction software solutions are outpacing the growth of construction itself
- Digitization trend is accelerating and market is well underway to become disrupted
- Competitive market with moderate level of saturation, however meaningful amount of white spots in product, customer type and geography



- Disrupting a traditional industry characterised by complex stakeholder dynamics, asymmetric risks and rewards and conflicting interests
- Recurring revenues are growing
- Scalable business model
- Enabling higher efficiency, transparency, and hence customer satisfaction and stickiness
 - Easy-to-use mobile application allowing contractors and sub-contractors to access project data virtually, enabling tracking and planning of projects in real-time
 - High customer satisfaction
- On course for continued strong growth
 - Outpacing market growth and capturing larger share of construction software spending
 - Strong customer inflow in contract portfolio
 - High customer stickiness
 - Increasing recurring revenues
- Management in place to deliver on continued growth and strategy
- Defined M&A strategy for incremental growth

An aerial night photograph of the London Stadium, illuminated with blue lights. The stadium's distinctive arch is visible, and the pitch is lit up. The text 'Q&A' is overlaid in the center in a large, white, sans-serif font. Below the text, a blue banner on the stadium's exterior reads 'WEMBLEY CONNECTED BY EE' and a logo for EE is visible.

Q&A



Appendix

Board of Directors and management

Board of Directors



Mikael Näsström

Chairman of the Board

Board member since 2019

Shareholding: 130,000



Stefan Charette

Board member

Board member since 2020

Shareholding: 21,533,160



Brian McGuire

Board member

Board member since 2020

Shareholding: 4,177,160



Erik Gabrielson

Board member

Board member since 2020

Shareholding: 866,620



Per Åkerman

Board member

Board member since 2020

Shareholding: 875,000

Management



Joined
in 2020

Gustave Geisendorf

Chief Executive Officer

Shareholdings in the company: 0

Warrants in the company: 11,800,000



Co-founder

Mike White

Chief Technology Officer

Shareholdings in the company: 578,260

Warrants in the company: 250,000

Top 25 shareholder overview

#	Shareholder	# of shares	% of capital
1	Athanase Industrial Partners	21,561,960	48.7%
2	Brian McGuire	4,177,160	9.4%
3	BNY Mellon SA	3,486,878	7.9%
4	Forsakringskassan	2,723,067	6.2%
5	Nordea Livförsäkring Sverige Ab	2,248,273	5.1%
6	Per Åkerman	875,000	2.0%
7	Six Sis Ag	866,620	2.0%
8	Marcus Schiller	858,147	1.9%
9	Magnus Oppenstam	700,000	1.6%
10	Societe Generale, Securities Services	600,000	1.4%
11	Scott, Ann-Margret Maria	416,000	0.9%
12	Seb Pension Och Försäkring Ab	400,000	0.9%
13	Cayjay Holding Ab	400,000	0.9%
14	Kebeo Invest Ab	277,738	0.6%
15	Nicklas Widenberg	255,000	0.6%
16	Stefan Lanefelt	250,000	0.6%
17	Seb Life International	192,929	0.4%
18	Cbny-National Financial Services LI	177,897	0.4%
19	Golden Bronze Productions Ab	159,695	0.4%
20	Morgan Stanley & Co Intl Plc, W8lmy	156,926	0.4%
21	Mikael Näsström	130,000	0.3%
22	Banque Internationale A Lux	102,000	0.2%
23	Teutonic Consulting Ab	92,000	0.2%
24	Försäkrings Skandia	87,675	0.2%
25	Max Adam Schiller	80,000	0.2%
Other		2,979,424	6.7%
Total		44,254,389	100%